

For the Congressional Record

September 21, 2012

Statement of Congressman Pete Stark Introducing the Computers for Our Communities Act

MR. STARK: Mr. Speaker, I rise today with my colleagues John Lewis (D-GA) and Gary Peters (D-MI), to introduce the *Computers for Our Communities Act*. This legislation will extend a provision in the tax code that encourages companies to donate computer equipment to schools and libraries.

I have a long history with this tax provision. In the early 1980s I met a young Steve Jobs who had the pioneering vision to put a computer into every classroom in America. However, when companies like Apple donated to schools, the deduction was limited to their cost of manufacturing the computer. Companies had no incentive to donate computers and software to our public schools. With bipartisan support in the House and Senate, we amended the tax code and created an enhanced tax deduction to encourage companies to donate computers to our schools.

Until 2012, Section 170 of the tax code enabled a corporation to take an enhanced deduction when they donated computer equipment to a public school, a library, or other educational institutions. We found a middle ground that allowed companies to deduct more than their cost of manufacturing a computer, but less than the fair market value when they provided this public service by donating computer equipment.

Nearly 30 years after this provision was first added to the tax code, a computer in classroom is no longer a revolutionary idea. Computer literacy is an even more important issue in a world with so much changing technology. Yet this tax deduction is once again on the chopping block. The section of the tax code that allows companies to take an enhanced tax deduction when computer equipment or software is donated to a school, library, or similar institutions, expired at the end of 2011. With this legislation, we can retroactively enact this tax provision and extend it through the end next year so there is no lapse in coverage.

Without this legislation, I worry we won't see donations of computer equipment to our public schools. Even adults who learn computer skills through community programs and public libraries will have to use aging technology. Our schools and our cities are already stretched by budget cuts and we need to do whatever we can to make sure that everyone has the ability to become computer literate.

The Computers for Our Communities Act will restore this tax provision through December 2013 and ensure that America's students will continue to have access to the latest technological innovations. If we are serious about our commitment to having a computer in every classroom in America, we will pass this legislation.